

## FEDERAL ELECTION COMMISSION WASHINGTON, D.C. 20463

October 8, 2010

Darrell Crate, Treasurer Free and Strong America PAC Inc. 80 Hayden Avenue Lexington, MA 02421

Response Due Date: November 12, 2010

Identification Number:

C00449280

Reference:

September Monthly Report (8/1/10 - 8/31/10)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. Failure to adequately respond by the response date noted above could result in an audit or enforcement action. Additional information is needed for the following 4 items:

1. Schedule A of your report (see attached) discloses one or more contributions which appear to exceed the limits set forth in the Act. 2 U.S.C. §441a(f) and 11 CFR §§110.1(d) and 110.2(d) prohibit a committee and its affiliates from receiving any contribution from another political committee or person in excess of \$5,000 per calendar year.

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you must amend your original report with the clarifying information.

If any contribution you received exceeds the limits, you may have to refund the excessive amount. The funds can be retained if within 60 days of receipt, (1) the excessive amount was properly reattributed to another person, such as a joint account holder, by obtaining signed written authorizations from <u>each</u> person making the contribution pursuant to 11 CFR 110.1(k)(3), and (2) the treasurer informs the person making the contribution that he or she may request the return of the excessive portion of the contribution if it is not intended to be a joint contribution. Any request from a donor for a refund must be honored.

Alternatively, the funds can be retained if within 60 days of receipt you (1) transferred the excessive amount to an account not used to influence federal elections, and (2) provided written notice to the person making the contribution of the option of receiving a refund. Any request from a donor for a refund must be honored.

If the foregoing conditions for reattributions or transfers to a non-federal account were not met within 60 days of receipt, the excessive amount must be refunded.

Please inform the Commission of your corrective action promptly in writing and provide a photocopy of your check for any transfer-out or refund. In addition, any reattributions should be reported as memo entries on Schedule A of the report covering the period during which the authorization for the reattribution is received. Any transfers-out or refunds should be disclosed on Schedule B supporting Line 22 or 28 of the report during which the transaction was made.

Although the Commission may take further legal action regarding the acceptance of an excessive contribution(s), prompt action by your committee to seek reattribution, transfer-out or refund the excessive amount will be taken into consideration.

- 2. Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule(s) B and H4 of your report to clarify the following description(s): "COLLATERAL FOR PAC" and "EXPENSE REIMBURSEMENT." For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).
- 3. Schedule B of your report discloses a reimbursement(s) to an individual(s) for apparent travel and subsistence advances in which the total amount reimbursed exceeds \$500. When the reimbursement amount to staff for travel and subsistence advances exceeds \$500, the payments by committee staff that make up the reimbursement may have to be itemized. For example, if the related payment(s) to any one vendor by the staff aggregates in excess of \$200 for the calendar year, the payment(s) must be itemized as a memo entry for that reimbursement. Each memo entry must include the complete name and address of the original vendor, as well as the date, amount and an adequate purpose. Please amend your report to include the missing information and clearly identify on the Schedule B, which reimbursement each memo entry relates to. If itemization is not necessary for a particular reimbursement to staff in excess of \$500, you

must clarify this in an amendment to this report. 11 CFR §104.9 and Advisory Opinion 1996-20, footnote 3

4. Schedule H4 of your report discloses a reimbursement(s) to an individual(s) for apparent travel and subsistence advances in which the total amount reimbursed exceeds \$500. When the reimbursement amount to staff for travel and subsistence advances exceeds \$500, the payments by committee staff that make up the reimbursement have to be itemized as memo entries regardless of the amount. Each memo entry must include the complete name and address of the original vendor, as well as the date, amount and an adequate purpose. Please amend your report to include the missing information and clearly identify on the Schedule H4, which reimbursement each memo entry relates to. 11 CFR §§104.10 and 104.17, and Advisory Opinion 1996-20, footnote 3

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. Requests for extensions of time in which to respond will not be considered.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1159.

Sincerely,

My Nagur

Allen Norfleet

Senior Campaign Finance Analyst

Reports Analysis Division

FREE AND STRONG AMERICA PAC INC. Page 4

Contributor Name	Date	Amount	Report
DR. JEFFREY R. JAY	5/12/10	\$5,000	2010 June Monthly
DR. JEFFREY R. JAY	8/31/10	\$1,105	2010 September Monthly
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EDWARD C. LYNCH	8/4/10	\$5,000	2010 September Monthly
EDWARD C. LYNCH	8/23/10	\$5,000	2010 September Monthly
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WILLIAM D. SMITHBURG	6/29/10	\$1,000	2010 July Monthly
WILLAAM D. SMITHBURG	8/30/10	\$7,500	2010 September Monthly
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PEDRO TORRES	8/4/10	\$10,000	2010 September Monthly
JOHN WALDRON	8/11/10	\$10,000	2010 September Monthly
DAVID WEHRLY	8/11/10	\$250	2010 September Monthly
DAVID WEHRLY	8/11/10	\$5,000	2010 September Monthly